

# Servicing Federally-Owned Loans: Multiple Servicer Situations

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Federal Student Aid's goal in assigning federally-owned loans to the members of its federal loan servicer team is for each borrower to have one entity responsible for servicing the borrower's William D. Ford Federal Direct Loan (Direct Loan) Program loans and/or Federal Family Education Loan (FFEL) Program loans purchased by the U.S. Department of Education (the Department) and, if applicable, one entity responsible for servicing the borrower's Federal Perkins Loan (Perkins Loan) Program loans assigned to the Department. This is the standard for servicing a borrower's federally-owned loans to which we strive.

There is only one member of our federal loan servicer team that services Perkins Loans assigned to the Department. Accordingly, a borrower's Perkins Loans will never be split across multiple members of the federal loan servicer team. We do, however, have multiple members of our federal loan servicer team that service Direct Loans and FFEL purchased loans and a number of scenarios that can result in a borrower's Direct Loans and/or FFEL purchased loans being split across multiple members of the federal loan servicer team.

**Note:** Situations in which borrowers have multiple servicers also occur when a borrower has loans that are federally-owned and loans that are not federally-owned. Loans that are not federally-owned include FFEL Program loans that have not been purchased by the Department, Perkins Loans that have not been assigned to the Department, or private loans.

## Servicer Identification

The primary ways a borrower will know whether he or she has one servicer or multiple servicers is through servicer identification correspondence the borrower receives first from the Common Origination and Disbursement (COD) System upon servicer assignment and then from the assigned servicer or servicers. It is important for a borrower to read and retain all servicer correspondence.

If a borrower has no servicer correspondence available for reference, the borrower's servicer can be looked up in the National Student Loan Data System (NSLDS), the system in which we store federal student loan information.

Student and parent borrowers can look up their servicer information via the NSLDS Student Access page. Authorized financial aid professionals can look up servicer information for borrowers via the NSLDS Professional Access page.

- NSLDS Student Access

<https://www.nsls.ed.gov>

- NSLDS Professional Access

<https://www.nslsfap.ed.gov/nsls FAP/default.jsp>

Once a borrower has retrieved his or her servicer information, the borrower should be encouraged to retain the servicer's contact information and subsequent correspondence in a safe place.